NSC BRIEFING

4 November 1959

## MIDDLE EAST

- I. <u>UAR</u>: Nasir has moved to strengthen Syrian flank by appointing Amir as effective viceroy there.
  - A. Since union with Egypt last year, Syria has suffered from drought and locusts, and there is continuing resentment of Egyptian economic and political dominance.
    - 1. Agriculture, suffering from two years' drought and poorly organized land redistribution, probably cannot recover satisfactorily during next year.
    - 2. Industrialization plans are overly ambitious and present economic stagnation will probably be accentuated before any real progress is visible.
    - 3. Despite Cairo's tight control over Syrian military dissidents by retirement, transfer, and removal, discontent is apparently still widespread and coup plotting in army remains a constant problem.
      - Public discontent may be eased somewhat by plans for early formation of semi-autonomous governing bodies on local levels throughout the UAR and a new national parliament—but Nasir will continue to rely primarily on his personal popularity and tight security.
- II. TAPLINE: The UAR has postponed--apparently until the first of the year--issuing the decree, originally scheduled for the end of October, designed to increase sharply the transit fees from TAPLINE.

25 YEAR RE-REVIEW

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1. Nasir may be reluctant to disturb his relations with the West at this time because of the critical situation in Iraq.

## III. Sudan:

- A. Main issues in Nile Waters dispute with UAR have been resolved, and signature of formal agreement expected in next few days.
  - Agreement result of compromises on both sides in Cairo negotiations.
  - 2. Agreement will pave way for beginning next month of construction of first stage of Aswan High Dam and for granting of \$59,000,000 World Bank loan to cover foreign-exchange costs of Sudan's \$100,000,000 Roseires Dam project.
  - 3. Frictions may develop with Ethiopia and UK (speaking for Kenya, Uganda and Tanganyika) on any final allocation of Nile Waters.
- B. Unstable and unpopular Abboud government will try to gain new public support by emphasizing favorable terms of agreement.

1.	Sudanese	political	and	religious	leaders	have	been
	nressing	for return	to	civilian	governmer	nt.	

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T	V	_	Jordan:	
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	A.	A ranking Soviet diplomatKiktev,					ambassador to Lebanon			
25X1		visited	Jordan	for	first	time	week	before	last as	"tourist."
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- B. Shah of Iran is now in Jordan.
  - 1. He and Husayn are unlikely to decide on undertaking any adventures in Iraq.

